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SUBJECT: Funds Makes Strong Pro US

SUBJECT: Funes Makes Strong Pro-US Policy Statements

CLASSIFIED BY: Robert I. Blau, Charge d' Affaires, Department of State, Executive Office; REASON: 1.4(B), (D)

- 11. (SBU) At two separate events in a 24-hour period, Salvadoran President Mauricio Funes made strong pro-U.S. remarks:
- C Addressing the Salvadorans Abroad diaspora association annual conference on Tuesday evening, December 8, Funes underscored the pragmatic, national-interest reasons why it was imperative that El Salvador have a close, "strategic" relationship with the U.S.: roughly one-third of its citizens live there; and half of the country's exports are sold there. He then stated that under no circumstances would be entertain the idea of having El Salvador join ALBA.
- C At a ceremony Wednesday morning, December 9 to inaugurate a bridge financed by the Millenium Challenge Corporation (MCC), Funes thanked the USG and the USA profusely for contributing such substantial funding (\$461M) to El Salvador's MCC compact, and reiterated the commitment he and Secstate made in their June 1 meeting to establish a close, "strategic" relationship. At both events Funes highlighted that Foreign Minister Hugo Martinez was in the USA, meeting with Secretary Clinton to reinforce the tight relationship, and also to discuss Salvadoran immigration.
- 12. (C) COMMENT: Funes's remarks are a direct rebuttal of Salvadoran Vice President Salvador Sanchez Ceren's free-lancing during his visit to Cuba this week, in which the VP said that it would be a good idea for El Salvador to join ALBA. The VP was in Caracas two weeks earlier, making strident anti-American statements, and urging El Salvador to adopt "21st Century Socialism." Funes disowned the VP's Caracas remarks, just as he did in September when the VP lashed out against the USG in a local FMLN rally in support of Manuel Zelaya. In private, Funes and his closest advisors tell us they are worried about the hard-line FMLN's shadow government, and say how USG support for Funes is critical. The only reason Funes doesn't break with the FMLN is that in the short term, Funes needs FMLN votes in the legislature to pass budget and tax-reform legislation, as well as to obtain approval for international loans.

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